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Special Memorandum

Foreign Reaction to Report on Technology Transfer to USSR

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Foreign Reaction to Report on Technology Transfer to USSR

There was little monitored foreign media reaction to the U.S. report on "Soviet Acquisition of Militarily Significant Western Technology" following its release on 18 September.

USSR, East Europe

Soviet comment on the report thus far has been limited to a single TASS dispatch transmitted on 19 September and published in the Soviet military paper KRASNAYA ZVEZDA on the 21st. Standard complaints about U.S. efforts to restrict exports to the Soviet Union were repeated in a 22 September Moscow radio commentary broadcast to Great Britain, but the commentary did not refer to the report. Both TASS and the radio commentary attempted to question U.S. motives in restricting trade:

- Disruption of U.S.-Soviet economic ties. TASS charged that the U.S. report was intended to subvert the conduct of "Soviet-American business relations in their entirety" and to "intimidate" U.S. scientists and businessmen who favor the development of "mutually beneficial" scientific and technical cooperation with the USSR.
- Poisoning bilateral relations. TASS cited Western journalists to suggest that the report was "one more attempt to poison further the atmosphere of relations" between the United States and the USSR "on the eve of the resumption of the Geneva talks and during the preparations for the Soviet-American summit."
- Strike against allied economic interests. The Soviet radio commentary, without mentioning the Pentagon report, suggested that U.S. and West European interests diverge on the issue of East-West trade. It accused the United States of favoring U.S. businesses over European companies, supporting the charge with the claim that a ban on the sale of personal computers to the USSR was lifted when "major U.S. companies" became interested in such trade.

Other Soviet bloc countries have thus far virtually ignored the U.S. report:

- A brief Hungarian radio item on the 18th stated that the U.S. secretary of defense had accused the USSR of trying to acquire U.S. technology "by illegal means." The radio hinted at possible repercussions for Hungarian trade with the West, noting that the secretary had argued that Western companies must curtail exports to all communist countries.
- A short article in the Czechoslovak daily RUDE PRAVO on the 20th summarized the 19 September TASS dispatch.

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Western Allies

Media commentary from major Western industrial countries has been sparse and largely reportorial. The few items monitored have seemed to play down the seriousness of the issue, suggesting that recent Western actions have already decreased the flow of technology to the USSR.

- The Japanese news agency Jiji on the 19th said that "the United States wants Japan to take more precautions" to prevent the transfer of technological advances to the Soviet Union but, citing a U.S. official, asserted that recent consultations between the two countries had already tightened curbs on Japanese exports to the USSR.
- Similarly, a 20 September article in the West German daily FRANKFURTER ALLGEMEINE cited the Pentagon report as observing that "joint efforts by the United States and its allies" had recently checked "to a certain degree" Moscow's acquisition of Western technology.

China

The only Chinese reaction came in a 19 September Xinhua dispatch that avoided making any reference to the report's possible implications for U.S.-Chinese high-technology trade.

According to Xinhua, the Pentagon report accused the Soviet Union of conducting "a massive, well-organized campaign" to acquire Western technology for the purpose of overcoming "considerable technological inferiority." Xinhua suggested that the release of the document only two months before the summit was aimed at "reminding the U.S. public and allies" of the threat posed by the Soviet Union.

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Selected Media Commentary

USSR

TASS report (TASS, 19 Sep 85)

The U.S. Defense Department under Caspar Weinberger is an energetic manufacturer of anti-Soviet lies and slander against the USSR. The latest operation of this kind is a Pentagon "report" presented by the Defense Department at a specially convened press conference. This anti-Soviet forgery contains the assertion that the Soviet Union is supposedly using U.S. technology to strengthen its military power. As one reads this Pentagon "document," it becomes obvious that its authors, hiding behind a mist of fabrications, rumors, and distortions, are pursuing a far-reaching aim: to subvert the established practice of Soviet-American business relations in their entirety. . . .

It is quite obvious that the organizers of the press conference were trying not only to denigrate the Soviet Union, but also to intimidate those representatives of U.S. scientific and business circles who venture to speak out in favor of developing mutually beneficial scientific and technical cooperation between the two countries. . . .

It should be noted that the authors of the story of the USSR's unquenchable thirst for American technology attempt to ignore the fact that the USSR is itself a great scientific-technical power.

In their very first question at the press conference, journalists wanted to know why the booklet had been published on the eve of the resumption of the Geneva talks and during the preparations for the Soviet-American summit. . . . This is just one more attempt to poison further the atmosphere of relations between the USSR and the United States and to camouflage the irresponsible attitude of the United States toward the fate of peace behind a screen of lies and slander.

Interview with Novosti economics observer (Moscow radio service to Great Britain and Ireland, 22 Sep 85)

On the one hand, Britain has been saying that it is interested in cooperation and on the other it has bowed to Washington's pressure as far as cooperation in science and technology with the USSR is concerned. . . .

The United States will not reconcile itself with West European companies getting profitable orders in the USSR and attaining stable markets there. This clearly strengthens the

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competitiveness of the West European companies. . . . Here is one example. A ban was also imposed on the export to the Soviet Union of personal computers, but as soon as major American companies decided that they have a chance to sell personal computers to the Soviet Union to be used in Soviet schools, the Pentagon lifted the ban.

East Europe

Budapest radio report (Budapest domestic radio, 18 Sep 85)

The U.S. defense secretary has accused the USSR of trying to obtain by illegal means modern U.S. technology for the development of its armaments industry. . . . Quoting from a detailed list, he alleged that people sent from the USSR and the other socialist countries were involved in this kind of espionage. . . . According to Weinberger, even the so-called COCOM list which curtails the export of technology is insufficient, and the companies themselves must curtail their exports to socialist countries.

PRC

Xinhua report (Xinhua, 19 Sep 85)

The United States today accused the Soviet Union of conducting "a massive well-organized campaign" to acquire Western technology legally and illegally for its weapons and military equipment projects. . . . [The booklet said] that 60 percent of the Soviet acquisitions were of U.S. origin and the "greatest beneficiaries" of accumulated Western technology were the Soviet electronics and electro-optics industries. As a result, the booklet noted, the Soviet Union, overcoming considerable technological inferiority, has "built the largest military industrial manufacturing base in the world and a massive research establishment to complement it."

The booklet was released about two months before President Ronald Reagan meets with Soviet leader Mikhail Gorbachev in Geneva. Although Reagan said at a press conference yesterday that he was not interested in a propaganda war with the Soviets, it was seen here [as] aimed at reminding U.S. public and allies of the threat posed by the Soviet Union to Western countries.

U.S. Allies: West Europe and Japan

Jiji report, (Jiji, 19 Sep 85)

The United States wants Japan to take more precautions against the outflow of Western technologies via Tokyo to the Soviet

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Union, a Defense Department official said Wednesday. . . .
[Deputy Undersecretary of Defense Stephen] Bryen said the
United States and Japan recently held consultations on
tightening curbs on the technology outflow, adding that this
effort had helped actually stop the export of side scanning
sonars from Japan to the Soviet Union.

"Moscow Steals and Buys" (FRANKFURTER ALLGEMEINE, 20 Sep 85)

According to American Defense Secretary Weinberger, the
"leaking" of Western military technology to the Soviet Union
is "a much more serious problem than we had realized up to
now." . . . The report was published two months prior to the
Geneva meeting between President Reagan and party chief
Gorbachev and it obviously forms part of the American effort
to promote a realistic view of Soviet conduct in the West. . . .
The report says that although joint efforts made by the
United States and its allies had checked to a certain degree
Moscow's activities recently, the "Soviet appetite" for
Western technology was still "enormous."

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